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EX PARTE OR LATE FILED

February 25, 1997

#### **EX PARTE**

Mr. William Caton Acting Secretary Federal Communications Commission 1919 M Street, N.W. Washington, D.C. 20554

Re: Number Portability - CC Docket No. 95-116

Dear Mr. Caton:

Today, on behalf of SBC, Mike Bennett and Gary Fleming, and on behalf of Pacific Telesis, Alan Ciamporcero and Ross Ireland, and on behalf of Bell Atlantic, Marie Breslin and I met with Dan Gonzalez, Legal Advisor for Commissioner Chong. We discussed the attached materials, network reliability and cost issues and the advantages of allowing LECs the option of utilizing LRM with QoR to implement Local Number Portability. A copy of the hand-out used in the meeting is attached.

Please enter this letter into the record as appropriate.

Sincerely,

Attachments

cc: D. Gonzalez

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- FCC Objective ensure rapid introduction of LNP to facilitate competition.
- LNP is a complex project impacting every major switching and signaling component.
- Ordered implementation plan not consistent with industry (and NRC) implementation methods for major network changes.

- Because of concerns with the impact of the current plans on network reliability, SBC commissioned independent Bellcore study on impacts on Houston network.
- Bellcore released Special Report SR-4257, Quantification of the Effects of Local Number Portability on the Reliability of Southwestern Bell's Network.

- Study projects significant increases in probability of widespread network outages with current implementation plans.
- Study identifies root causes:
  - Inadequate time for installation, testing, soak
  - Lack of query reduction techniques
  - Initial introduction in largest metropolitan areas
  - Selection of busiest season of year

- SBC recommends that the FCC take the following steps to reduce risk:
  - Extend implementation schedule for Houston,
     Dallas and St. Louis by 3 months. Other MSAs to complete on FCC's original schedule.
  - Permit use of QoR to reduce query volumes.
  - Start with limited set of Houston switches to allow adequate software soak.

#### Conclusion:

- Current plan creates unnecessary added risks.
- Risks are reduced through use of QoR and extension of implementation periods.
- Same start (10/1/97) and complete (12/31/98) dates
- Proposed changes do not jeopardize Commission objectives

- QoR is more cost efficient than LRN.
- Cost savings, which are passed to the public, are long term - Conversion to LRN is not inevitable
- QoR increases network reliability by reducing: 1) the concentration of traffic into LNP databases and 2) the load increase on SS7 network caused by LRN.

- Concerns raised about QoR have been adequately addressed:
  - Cost savings
  - Reliance on other carrier's databases and network facilities
  - Call set up time variances
  - Use of Lucent or other vendors' QoR schedules as basis for waiver request
- TCG supports voluntary use of QoR

#### AT&T/MCI Ex Parte Misleading

- By AT&T's own figures, 800 Service volumes are minuscule in comparison to originating local interoffice call rates:291B for interswitch intraLATA versus 0.9B for 800 messages (12 X 74M)
- Comparisons of 800 to LRN implying that implementation is routine is inappropriate. LRN does not use 800 software or technology.
- ILECs do routinely install new switches and software
   but in a sound process using methods to reduce risks.

#### AT&T/MCI Ex Parte Misleading

- Projected porting rates are not realistic or relevant
  - Ignore expected prevalence of resale
  - Implies equal porting in all offices
  - Porting rates do not equate directly to costs,
     switch break over points misinterpreted.
- Statement that only calls to new entrant customers are impacted is false. SBC will port numbers for both win backs and for location portability.

#### AT&T/MCI Ex Parte Misleading

- Claims about call set up costs are illusory:
  - Call set up associated with QoR does not represent any incremental costs because calls are being routed to the serving switch today.
    - With LRN those same calls would also require database dip in order to complete which creates an unnecessary process and higher costs.